### MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

#### **GENERAL INFORMATION**

**Requestor Name** 

**Doctors Hospital at Renaissance** 

**MFDR Tracking Number** 

M4-17-1675-01

**MFDR Date Received** 

February 03, 2017

**Respondent Name** 

Texas Mutual Insurance Co

**Carrier's Austin Representative** 

Box Number 54

## **REQUESTOR'S POSITION SUMMARY**

Requestor's Position Summary: "According to TWCC guidelines, Rule §134.403 states that the reimbursement calculation used for establishing the MAR shall be applying the Medicare facility specific amount. After reviewing the account we have concluded that reimbursement received was inaccurate. Based on CPT Code 99283, allowed amount of \$172.33, multiplied at 200%, CPT Code 72170, allowed amount of \$88.54, multiplied at 200%."

Amount in Dispute: \$177.08

# **RESPONDENT'S POSITION SUMMARY**

Respondent's Position Summary: "The following is the carrier's statement with respect to this dispute of 8/22/2016. The requestor billed code 72170, 73502, 73562, 99283, and A9270 for services provided on the date above. Texas Mutual declined to issue payment of code 72170 because the 2016 NCCI Edits for Hospitals indicate this code is separately reportable from comprehensive code 73502 when the appropriate modifier is used."

**Response Submitted by:** Texas Mutual Insurance Company

# SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
August 22, 2016	Outpatient Hospital Service	\$177.08	\$0.00

#### FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

## **Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.

- 2. 28 Texas Administrative Code §134.403 sets out the acute care hospital fee guideline for outpatient services.
- 3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - CAC-P12 Workers Compensation Jurisdictional Fee Schedule Adjustment
  - 435 Per NCCI edits, the value of this procedure is included in the value of the comprehensive procedure
  - CAC-193 Original payment decision is being maintained, upon review, it was determined that this claim
    was processed properly
  - CAC-236 This billing code is not compatible with another billing code provided on the same day according to NCCI or Workers Compensation State Regulations/Fee Schedule requirements
  - W3 In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal
  - 350 In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal
  - 370 This hospital outpatient allowance was calculated according to the APC rate, plus a markup
  - 724 No additional payment after a reconsideration of services, for information call 1-800-937-6824

#### <u>Issues</u>

- 1. Are the disputed services subject to a contractual agreement between the parties to this dispute?
- 2. What is the applicable rule for determining reimbursement for the disputed services?
- 3. Is the requestor entitled to additional reimbursement?

## **Findings**

- 1. Review of the submitted documentation finds no information to support that the disputed services are subject to a contractual agreement between the parties to this dispute.
- 2. This dispute relates to outpatient hospital facility services with reimbursement subject to the provisions of 28 Texas Administrative Code §134.403, which requires that the reimbursement calculation used for establishing the maximum allowable reimbursement (MAR) shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the Federal Register with the application of minimal modifications as set forth in the rule. Per §134.403(f)(1), the sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 200 percent, unless a facility or surgical implant provider requests separate reimbursement of implantables. Review of the submitted documentation finds that separate reimbursement for implantables was not requested. Under the Medicare Outpatient Prospective Payment System (OPPS), each billed service is assigned an Ambulatory Payment Classification (APC) based on the procedure code used, the supporting documentation and the other services that appear on the bill. A payment rate is established for each APC. Depending on the services provided, hospitals may be paid for more than one APC per encounter. Payment for ancillary and supportive items and services, including services that are billed without procedure codes, is packaged into payment for the primary service. A full list of APCs is published quarterly in the OPPS final rules, which are publicly available through the Centers for Medicare and Medicaid Services (CMS) website. Reimbursement for the disputed services is calculated as follows:
  - Procedure code 72170 has status indicator Q1 denoting STVX-packaged codes reimbursement is
    included in the package for any service with status indicator S, T, V or X; this code is not separately
    payable unless no other status S, T, V or X code is billed on the same claim. Reimbursement for this
    service is included in the payment for procedure code n billed on the same claim. The use of a modifier
    is not appropriate. Separate payment is not recommended.
- 3. The total allowable reimbursement for the services in dispute is \$344.66. This amount less the total paid by the insurance carrier of \$558.53 leaves an amount due to the requestor of \$0.00. No additional reimbursement can be recommended.

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

**Authorized Signature** 

#### **ORDER**

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

		2/24/2017	
Signature	Medical Fee Dispute Resolution Officer	Date	

#### YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012**.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the** *Medical Fee* **Dispute Resolution Findings and Decision** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.